## **IN THE DRAWING**

As required by the Examiner, Applicants submit herewith proposed changes to the Drawing. The changes are in the form of a red ink sketch. Upon approval by the Examiner ad upon issuance of a Notice of Allowance, Applicants will make these changes formal.

## **REMARKS**

Reconsideration and withdrawal of all grounds of rejection contained in the Office Action are respectfully requested in light of the above amendments and the following remarks. Claims 1 and 7-8 have been amended to obviate the objections in the Office Action, no new matter has been added. Claims 1-8 are pending herein.

The disclosure was objected to for informalities. Applicants gratefully acknowledge the Office Action's suggestion to add section headings to the specification (under 37 CFR 1.77(b), however respectfully decline to add the headings as they are not required in accordance with MPEP §608.01(a).

Such section headings are not statutorily required for filing a non-provisional patent application under 35 USC 111(a), but per 37 CFR 1.51(d) are only guidelines that are suggested for applicant's use. They are not mandatory, and in fact when Rule 77 was amended in 1996 (61 FR 42790, Aug. 19, 1996), Bruce A. Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, stated in the Official Gazette:

"Section 1.77 is permissive rather than mandatory. ... 1.77 merely expresses the Office's preference for the arrangement of the application elements. The Office may advise an applicant that the application does not comply with the format set forth in 1.77, and suggest this format for the applicant's consideration; however, the Office will not require any application to comply with the format set forth in 1.77."

Miscellaneous Changes in Patent Practice, Response to comments 17 and 18 (Official Gazette, August 13, 1996) [Docket No: 950620162-6014-02] RIN 0651-AA75.

A later amendment to 37 CFR 1.77 (65 FR 54628

http://www.uspto.gov/web/offices/com/sol/notices/patbusgoals.pdf) does not change this.

Claims 1-8 stand rejected under 35 U.S.C. §102(b) as allegedly being anticipated by Coutrot et al. article (of record).

Applicants respectfully traverse the rejections listed above.

Base claim 1 recites (*inter alia*): ... wherein the receiver stores a meta-entitlement of the end-user, said meta-entitlement including an event number range, and means for extracting from the meta-entitlement and actual entitlement identification including the event selected by the end-user, after which a control word from the entitlement control message is supplied to the descrambler if the entitlement identification in the entitlement control message matches the actual entitlement. Base claims 7-8 recite similar limitations.

Applicants respectfully submit that Coutrot does not disclose, suggest, or provide the above limitations. Although, Coutrot teaches the use of tokens that are associated to the cost on a Pay-Per-View event, it does not enable a end-user receiver to stores a meta-entitlements an event number range. The tokens are simply used to pay for an event and not to define a range of events from which a user is allowed to make one or more selections, see specification page 2, lines 18-23, as claimed in the present invention.

Still further, the Coutrot system teaches away from the present invention since it teaches that the [impulse] pay per view mode needs a supplementary function to the system, see Section 4.2, last paragraph. In contract, the claimed invention provides for immediate user influence on the entitlement obtained without needing a return channel, see specification page 2, lines 18-23.

Accordingly, it is respectfully submitted that at least for the reasons indicated above, amended base claims 1 and 7-8 are patentable. With regard to the rejection under 35 U.S.C. §102(b), the Court of Appeals for Federal Circuit has held that:

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.

Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628,631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

In the present application, it is respectfully submitted that Coutrot fails to disclose each and every element as set forth in base claims 1 and 7-8. The other claims in this application are each dependent from the independent claim discussed above and are therefore believed patentable for the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual consideration of the patentability of each on its own merits is respectfully requested.

Amendment Serial No. 09/741,916

For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

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## Certificate of Mailing Under 37 CFR 1.8

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(Signature and Date)